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**ELEVEN BOILER ROOM TELEMARKETERS
CHARGED WITH BUSINESS OPPORTUNITY SCAMS**

R. Alexander Acosta, United States Attorney for the Southern District of Florida, and Emmett Mattes, Acting Postal Inspector in Charge, United States Postal Inspection Service, announced the unsealing of a Superseding Indictment against nine (9) defendants and the return of a separate Indictment against two (2) additional defendants, charging them with fraud in connection with their participation in fraudulent business opportunity sales. The Indictments announced today are part of a continued series of prosecutions aimed at cracking down on business opportunity fraud.

Pantheon Holdings:

The Superseding Indictment relates to fraudulent business opportunity sales at a firm called Pantheon Holdings, a/k/a Internet Machine Company ("Pantheon"). One defendant included in this Superseding Indictment, Jay Mayne, had previously been charged in an Indictment that was unsealed on March 31, 2006, and is pending trial. The Superseding Indictment contains twenty-seven (27) counts, charging all of the defendants with conspiracy to commit mail fraud, in violation of 18 U.S.C. § 1349, and various of the defendants with mail fraud, in violation of 18 U.S.C. § 1341, wire fraud, in violation of 18 U.S.C. § 1343, and aiding and abetting, in violation 18 U.S.C. § 2.

According to the Superseding Indictment, the nine (9) defendants, **Jay Mayne, a/k/a "Jay Maine," Blake Ladenheim, Mark Pelle, Kathy Eidelstein, a/k/a "Kathy DeAngelis," Michael Press, Sanford Gold, Jeffrey Kuba, a/k/a "Jeffrey Cooper," Frank DePierre, a/k/a "Frank Dupree," Eric Bridges**, and others engaged in the fraudulent sale of business opportunities through Pantheon. Pantheon purported to sell Internet kiosks, along with assistance in establishing, maintaining, and operating an Internet kiosk business. The defendants and their co-conspirators allegedly represented to prospective business opportunity purchasers that they would earn substantial profits when members of the public used the kiosks to access the Internet for a fee, and from revenue generated by advertisements that Pantheon would place on the kiosks.

Pantheon promoted the business opportunities to consumers across the country through television commercials, the Internet and other media, misrepresenting the profits that could be earned by purchasing a Pantheon distributorship, and urging consumers to call a telephone number that appeared in the advertisements. Potential purchasers were told that for a purchase price of approximately \$18,000, Pantheon would, among other things: perform all the legwork of the business and the purchaser only needed to plug in the kiosk and wipe it down periodically; find appropriate, viable, and high-traffic locations to place the kiosks; relocate any kiosk that underperformed; place national advertisements on the kiosk; and only sell distributorships in a limited geographic area. The defendants and others falsely represented to potential purchasers that they would earn their investment back in nine months to a year. The defendants and others fraudulently induced over 700 consumers to invest a total of approximately \$17 million in Pantheon.

Defendants Jay Mayne, a/k/a "Jay Maine," 43, who has resided in Costa Rica for the past 15 months, Blake Ladenheim, 56, of Miami Shores, Mark Pelle, 41, of North Palm Beach, and Katherine Eidelstein, a/k/a "Katherine DeAngelis," 37, of Miami, were Pantheon salespeople, referred to as "closers." Closers made several misrepresentations about the profit that would be generated by the business, territorial limitations, the viability of locations, and ongoing customer support and technical assistance that Pantheon would be providing. Defendant Jay Mayne also served as a manager and supervisor of other Pantheon closers and most Pantheon references.

Defendant Michael Press, 44, of Miami, was a Pantheon salesman known as a "Back-from-the-Dead," or "BFD" salesman. If a closer was unsuccessful in closing a deal, defendant Press called the potential purchaser back within a few days or weeks in an attempt to resurrect the deal. Press typically falsely represented that another person had cancelled a large order of kiosks for personal reasons and that, as a result, Pantheon could offer these kiosks to the purchaser for a substantially reduced price.

Defendants Sanford Gold, 55, of Boca Raton, and Jeffrey Kuba, a/k/a "Jeffrey Cooper," 35, of Sunny Isle Beach, were Pantheon "loaders." Once a purchaser sent in his or her money to Pantheon for an initial purchase and that money cleared, defendants Gold and Kuba would contact the purchaser within a few days or weeks for the purpose of soliciting an additional investment. The loader typically falsely claimed either: a) that another person had cancelled a large order of kiosks for personal reasons and that, as a result, Pantheon could offer these kiosks to the purchaser for a substantially reduced rate; or b) that a desirable location was eager to have multiple Pantheon kiosks installed, and if the purchaser bought more kiosks, he or she would be able to secure that location.

Defendant Jeffrey Kuba, a/k/a "Jeffrey Cooper," was also the lead customer service representative who handled the most vocal and dissatisfied customers whose complaints were not satisfied by other customer service representatives Pantheon employed. The defendant Kuba reassured purchasers of Pantheon's intentions to ship kiosks to viable locations and to make purchasers' business opportunities profitable. These assurances lulled purchasers into a false sense of security, postponed inquiries and complaints, and made the transaction less suspect. Defendant Kuba also converted complaints into additional sales or "loads."

Defendants Frank DePierre, a/k/a "Frank Dupree," 69, of Miami, and Eric Bridges, 41, of Lowell, North Carolina, were Pantheon references who fraudulently held themselves out as successful Pantheon purchasers. In reality, neither DePierre nor Bridges ever purchased a Pantheon kiosk, and they were paid to lie to prospective purchasers.

If convicted, the defendants face a maximum statutory term of imprisonment of twenty (20) years on each count, a possible fine, and mandatory restitution.

Cash Link:

The second Indictment relates to fraudulent business opportunity sales at a firm called Cash Link Systems Inc. ("Cash Link"). The Indictment charges **Leonard Needelman**, 67, of Hallandale, with one count of conspiracy to commit mail fraud, in violation of 18 U.S.C. § 1349, three (3) counts of wire fraud, in violation of 18 U.S.C. § 1343, and four counts of mail fraud, in violation of 18 U.S.C. § 1341. It charges **Jason Kowal**, 43, of Deerfield Beach, with one count of conspiracy to commit mail fraud, two counts of wire fraud, and four counts of mail fraud.

According to the Indictment, Needelman, Kowal and others engaged in the fraudulent sale of business opportunities through Cash Link. Cash Link purported to sell cash-less ATMs to the public, along with assistance in establishing, maintaining, and operating a cash-less ATM business. Potential purchasers were told that after being placed in the locations Cash Link provided, the cash-less ATMs would be used by members of the public, who would swipe their debit cards and receive a receipt. The receipt, in turn, would be taken to the location's cash register for cash or store credit. According to the defendants and their co-conspirators, a business opportunity purchaser would earn substantial profits from the ATM fees generated when members of the public used the purchaser's cash-less ATMs.

Cash Link promoted the business opportunities to consumers across the country through television commercials, the Internet and other media, misrepresenting the profits that could be earned by purchasing a Cash Link distributorship, and urging consumers to call a telephone number that appeared in the advertisements. Potential purchasers were told that for a purchase price of approximately \$12,000, Cash Link would, among other things: perform the most difficult and time consuming part of the business – securing viable locations in which to place the cash-less ATMs; find appropriate, viable, and high-traffic locations to place the kiosks; relocate any kiosk that underperformed; and only sell distributorships in a limited geographic area. The defendants and others falsely represented to potential purchasers that they would earn their investment back in 12 months or less. The defendants and others fraudulently induced over 800 consumers to invest a total of approximately \$15 million in Cash Link.

Leonard Needelman served as Cash Link's Director of Operations. The indictment charges that his role included, among other things, causing Cash Link to hold out a straw man as the firm's president, rather than Cash Link's true owners (who had federal regulatory records), helping salesmen close fraudulent business opportunity sales, and lulling purchasers into inaction by making them believe Cash Link would deliver on its sales promises.

Defendant Jason Kowal was a Cash Link reference who fraudulently held himself out as a successful Cash Link purchaser. In reality, Kowal never purchased a Cash Link cash-less ATM, and was paid to lie to prospective purchasers.

If convicted, the defendants face a maximum statutory term of imprisonment of twenty (20) years on each count, a possible fine, and mandatory restitution.

Mr. Acosta commended the investigative efforts of the United States Postal Inspection Service. The Pantheon indictment is being handled by Jill Furman and the Cash Link indictment is being handled by Richard Goldberg, Trial Attorneys with the United States Department of Justice, Office of Consumer Litigation.

A copy of this press release may be found on the website of the United States Attorney's Office for the Southern District of Florida at www.usdoj.gov/usao/fls. Related court documents and information may be found on the website of the District Court for the Southern District of Florida at www.flsd.uscourts.gov or on <http://pacer.flsd.uscourts.gov>.

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